

RAILROAD COMMISSION OF TEXAS

David Porter, *Chairman*
Christi Craddick, *Commissioner*
Ryan Sitton, *Commissioner*

INTERNAL
Lori Wrotenbery
Director, Oil and Gas Division

MEMORANDUM

June 10, 2016

TO: **Chairman David Porter**
Commissioner Christi Craddick
Commissioner Ryan Sitton

FROM: **Peter G. Pope, Assistant Director**
Site Remediation

SUBJECT: Site Remediation's Summary Report
March 2016 - REVISED

The monthly report concerning the State-managed pollution site cleanup activities is attached. This report contains the following:

- 1. A summary of all attachments (Attachment A)**
2. In March 2016, total of 12 activities were completed at a total cost of \$84,796.19. (Attachment B)
3. Of the activities completed in March 2016, one activity exceeded the original award or work order amount by greater than 10%. (Attachments C, D, & E)
- 4. Of the activities completed in March 2016, seven were routine cleanup activities, and five were assessment activities. (Attachment F)**
- 5. In March 2016, a total of 27 activities were authorized for bid solicitation and codes for a total estimated cost of \$107,714.20. (Attachment G)**



Peter G. Pope

PGP/mp
Attachments

ATTACHMENT A

Monthly State-Managed Pollution Site Cleanup Activities for March 2016 and FY 2016 to date

Completed Cleanup Activities (See Attachments B, C, D, E, F, and H)

1.	Number of Cleanup Activities Completed in Mar 2016	12
	Total Cost of Cleanup Activities Completed in Mar 2016	\$ 84,796.19
	Number of Activities with Post-Close* Invoices Approved in Mar 2016	0
	Total Amount of Post-Close Invoices Approved in Mar 2016	\$ 0.00
	Total Number of Cleanup Activities where the Final Cost exceeded the Award or Work Order Amount by > 10% in Mar 2016	1
2.	Number of Cleanup Activities Completed in FY 2016	81
	Total Cost of Cleanup Activities Completed in FY 2016	\$ 1,927,584.69
	Number of Activities with Post-Close Invoices Approved in FY 2016	0
	Total Amount of Post-Close Invoices Approved in FY 2016	\$ 0.00
	Total Number of Cleanup Activities where the Final Cost exceeded the Award or Work Order Amount by > 10% in FY 2016	12
3.	Grand Total (Completed Activities plus Post-Close Invoices) for Mar 2016	\$ 84,796.19
	Grand Total (Completed Activities plus Post-Close Invoices) for FY 2016	\$ 1,927,584.69

New Cleanup Activities (See Attachment G)

1.	Number of Cleanup Activities Authorized for Bid Solicitation and Codes Issued in Mar 2016	27
	Estimated Cost of Cleanup Activities Authorized in Mar 2016	\$ 107,714.20
2.	Number of Cleanup Activities Authorized for Bid Solicitation and Codes Issued in FY 2016	155
	Estimated Cost of Cleanup Activities Authorized in FY 2016	\$ 1,298,405.22

Cleanup Activities Approved But Not Completed

1.	Total Number of Remaining Cleanup Activities as of the last day of Mar 2016	94
	Total Estimated Cost of Remaining Cleanup Activities	\$ 1,232,387.72

Cleanup Activities Canceled Without Cost to State

1.	Number of Authorized Cleanup Activities Canceled in Mar 2016	0
	Total Number of Authorized Cleanup Activities Canceled in FY 2016	0

*Reflects invoice amounts approved AFTER a Cleanup Activity is formally closed (from a prior reporting month).

ATTACHMENT B**SUMMARY OF CLEANUP ACTIVITIES COMPLETED**

March 1, 2016 to March 31, 2016

DISTRICT	THIS MONTH		YEAR TO DATE	
	ACTIVITIES COMPLETED	TOTAL OF INVOICES	ACTIVITIES COMPLETED	TOTAL OF INVOICES
01	3	\$ 14,938.68	9	\$ 142,882.22
02	0	\$ 0.00	3	\$ 22,727.23
03	2	\$ 30,722.20	8	\$ 55,043.13
04	1	\$ 643.00	11	\$ 59,944.57
05	0	\$ 0.00	2	\$ 10,220.68
06	0	\$ 0.00	7	\$ 126,251.14
6E	2	\$ 13,196.65	11	\$ 251,619.06
7B	1	\$ 631.25	10	\$ 798,575.66
7C	2	\$ 24,539.41	6	\$ 164,798.66
08	0	\$ 0.00	1	\$ 42,393.47
8A	0	\$ 0.00	0	\$ 0.00
09	1	\$ 125.00	11	\$ 247,544.62
10	0	\$ 0.00	2	\$ 5,584.25
TOTALS	12	\$ 84,796.19	81	\$ 1,927,584.69
GRAND TOTALS*		\$ 84,796.19		\$ 1,927,584.69

*Grand Total line includes all Post-Close Invoice amounts.

ATTACHMENT C**SUMMARY OF COST OVERRUNS FOR COMPLETED CLEANUP ACTIVITIES**

March 1, 2016 to March 31, 2016

	THIS MONTH	YEAR TO DATE
DISTRICT	Final Cost Exceeded the Contract Amount by more than 10 percent	Final Cost Exceeded the Contract Amount by more than 10 percent
01	0	1
02	0	0
03	1	1
04	0	1
05	0	0
06	0	2
6E	0	3
7B	0	1
7C	0	2
08	0	0
8A	0	0
09	0	1
10	0	0
TOTALS	1	12

ATTACHMENT D**LIST OF COST OVERRUNS > 10% OF ORIGINAL AWARD AMOUNT
(Single Cleanup per Requisition or Bundled Bid)**

March 1, 2016 to March 31, 2016

DIST. NO.	REQ. NUMBER	CLEANUP ID	ORIGINAL AWARD	APPROVED INVOICES	PERCENT
Total number of cleanup activities where the final cost exceeded the original award amount by greater than 10 percent.					0

**LIST OF COST OVERRUNS > 10% OF ORIGINAL CONTRACT AMOUNT
(Multiple Cleanup per Requisition - Work Order or Prof. Services Bid)**

March 1, 2016 to March 31, 2016

DIST NO.	REQ. NUMBER	CLEANUP ID	BID TYPE	ORIGINAL CONTRACT	APPROVED INVOICES	PERCENT
03	455-16-0002	03-230938	Work Order	\$ 21,623.54	\$ 26,087.95	20.65%
Total number of Cleanup activities (Work Orders, etc...) where the final cost exceeded the original contract amount by greater than 10 percent.						1

ATTACHMENT E

Cost Overruns Greater than 10%

03-230938: LGL ENERGY (500224): HILLIARD-HOLMES UNIT (00360): Montgomery County

Original Contract Amount - \$21,623.54. Final Cost - \$26,087.95. Increase of 20.65%

THIS JOB WAS ORIGINALLY LET TO MASTERS ADVANCED REMEDIATION SERVICES INC. ON NOVEMBER 11, 2015 FOR \$21,623.54 HOWEVER DURING THE CLEANUP ACTIVITIES THERE WAS MORE CRUDE OIL IMPACTED SOIL THAN EXPECTED, REQUIRING ADDITIONAL TIME AND MATERIALS AND INCREASING THE FINAL COST TO \$26,087.95 FOR THIS ACTIVITY.

ATTACHMENT F**SUMMARY OF CLEANUP ACTIVITIES COMPLETED BY ACTIVITY TYPE**

March 1, 2016 to March 31, 2016

TYPE OF ACTIVITY	THIS MONTH		YEAR TO DATE	
	ACTIVITIES COMPLETED	TOTAL OF INVOICES	ACTIVITIES COMPLETED	TOTAL OF INVOICES
Cleanup	7	\$ 58,857.53	44	\$ 1,482,138.23
Emergency	0	\$ 0.00	17	\$ 138,528.06
Assessment	5	\$ 25,938.66	19	\$ 304,875.40
Partial	0	\$ 0.00	0	\$ 0.00
Miscellaneous	0	\$ 0.00	0	\$ 0.00
Abatement	0	\$ 0.00	1	\$ 2,043.00
TOTALS	12	\$ 84,796.19	81	\$ 1,927,584.69
GRAND TOTALS*		\$ 84,796.19		\$ 1,927,584.69

*Grand Total line includes all Post-Close Invoice amounts.

ATTACHMENT G**SUMMARY OF CLEANUP ACTIVITIES APPROVED/CODES ISSUED**

March 1, 2016 to March 31, 2016

DISTRICT	THIS MONTH		YEAR TO DATE	
	ACTIVITIES APPROVED	ORIGINAL COST ESTIMATE	ACTIVITIES APPROVED	ORIGINAL COST ESTIMATE
01	6	\$ 32,500.00	21	\$ 152,500.00
02	0	\$ 0.00	10	\$ 58,510.00
03	2	\$ 3,300.00	20	\$ 156,776.16
04	1	\$ 14,000.00	13	\$ 105,000.00
05	0	\$ 0.00	1	\$ 10,000.00
06	1	\$ 10,000.00	11	\$ 106,855.00
6E	2	\$ 9,000.00	15	\$ 159,322.00
7B	7	\$ 19,000.00	20	\$ 61,268.00
7C	2	\$ 7,164.20	10	\$ 313,666.95
08	0	\$ 0.00	9	\$ 68,600.00
8A	0	\$ 0.00	1	\$ 6,000.00
09	6	\$ 12,750.00	20	\$ 77,407.11
10	0	\$ 0.00	4	\$ 22,500.00
TOTALS	27	\$ 107,714.20	155	\$ 1,298,405.22

CLEANUP ACTIVITIES APPROVED BUT NOT COMPLETED AS OF March 31, 2016

Remaining Authorized Cleanup Activity Count:	94
Total Estimated Cost of Remaining Cleanup Activities:	\$ 1,232,387.72

ATTACHMENT H

ACTIVITIES WITH POST-CLOSE INVOICES APPROVED

March 1, 2016 to March 31, 2016

<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Date Approved</u>	<u>Total of Invoices</u>
					<u>Activities Adjusted</u>	<u>Total of Invoices</u>
Total (all Districts)					0	\$ 0.00

CLEANUP ACTIVITIES CANCELED WITH NO COST TO STATE

March 1, 2016 to March 31, 2016

<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Canceled</u>	<u>RRC Estimate</u>
					<u>Number Canceled</u>	<u>RRC Estimate</u>
Total (all Districts)					0	<N/A>

SUMMARY OF COMPLETED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					<u>Activity Count</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
District 01 Totals					3	\$ 37,000.00	\$ 14,938.68	\$ 22,061.32
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>Site Rank</u>	<u>County</u>		<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
01	230422	J & M WELL SALVAGE COMPANY MILLER-MILLER UNIT	CU-A	GONZALES	Activity Total	\$ 11,000.00	\$ 3,883.34	\$ 7,116.66
01	230556	AUSTIN OPERATING, LLC. MALONE, CORA	CU-A	CALDWELL	Activity Total	\$ 17,000.00	\$ 6,052.00	\$ 10,948.00
01	230421	LEMON, RICHARD G. LOKEY, K.R.	CU-A	GONZALES	Activity Total	\$ 9,000.00	\$ 5,003.34	\$ 3,996.66

SUMMARY OF COMPLETED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					<u>Activity Count</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
District 03 Totals					2	\$ 30,000.00	\$ 30,722.20	-\$ 722.20
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>Site Rank</u>	<u>County</u>		<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
03	230938	LGL ENERGY, INC. HILLIARD-HOLMES UNIT	CU-A	MONTGOMERY	Activity Total	\$ 23,000.00	\$ 26,087.95	-\$ 3,087.95
03	229996	PROSPER OIL & GAS, INC. KIRBY	CU-B	POLK	Activity Total	\$ 7,000.00	\$ 4,634.25	\$ 2,365.75

SUMMARY OF COMPLETED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					Activity Count	RRC Estimate	Total of Invoices	Remaining
District 04 Totals					1	\$ 1,000.00	\$ 643.00	\$ 357.00
Dist	Cleanup ID	Operator Name Lease Name	Site Rank	County		RRC Estimate	Total of Invoices	Remaining
04	232001	UNIDENTIFIED OIL BASE SPILL AT 281 AND FM 2895	AS-A	JIM WELLS	Activity Total	\$ 1,000.00	\$ 643.00	\$ 357.00

SUMMARY OF COMPLETED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					Activity Count	RRC Estimate	Total of Invoices	Remaining
District 6E Totals					2	\$ 21,500.00	\$ 13,196.65	\$ 8,303.35
Dist	Cleanup ID	Operator Name Lease Name	Site Rank	County		RRC Estimate	Total of Invoices	Remaining
6E	231160	AAA OIL TRUST MCGREDE -A-	CU-B	GREGG	Activity Total	\$ 15,000.00	\$ 7,687.40	\$ 7,312.60
6E	231162	AAA OIL TRUST DOBY, J. B.	CU-B	GREGG	Activity Total	\$ 6,500.00	\$ 5,509.25	\$ 990.75

SUMMARY OF COMPLETED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					<u>Activity Count</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
District 7B Totals					1	\$ 3,000.00	\$ 631.25	\$ 2,368.75
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>Site Rank</u>	<u>County</u>		<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
7B	231020	FRIENDLY ENERGY SERVICES, INC. KELLER	AS-A	BROWN	Activity Total	\$ 3,000.00	\$ 631.25	\$ 2,368.75

SUMMARY OF COMPLETED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					Activity Count	RRC Estimate	Total of Invoices	Remaining
District 7C Totals					2	\$ 27,906.50	\$ 24,539.41	\$ 3,367.09
Dist	Cleanup ID	Operator Name Lease Name	Site Rank	County		RRC Estimate	Total of Invoices	Remaining
7C	231757	UNIDENTIFIED WENDKIRK OIL FIELD SITE	AS-A	COKE	Activity Total	\$ 13,964.50	\$ 10,604.39	\$ 3,360.11
7C	231758	UNIDENTIFIED BALLINGER SEEP	AS-A	RUNNELS	Activity Total	\$ 13,942.00	\$ 13,935.02	\$ 6.98

SUMMARY OF COMPLETED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					<u>Activity Count</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
District 09 Totals					1	\$ 600.00	\$ 125.00	\$ 475.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>Site Rank</u>	<u>County</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>	
09	230880	EMBASSY OIL COMPANY FURR-ROBINSON -A-	AS-B	ARCHER				
Activity Total					\$ 600.00	\$ 125.00	\$ 475.00	
					<u>Activity Count</u>	<u>RRC Estimate</u>	<u>Total of Invoices</u>	<u>Remaining</u>
Grand Totals (all Districts)					12	\$ 121,006.50	\$ 84,796.19	\$ 36,210.31

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 01 Totals					6	\$ 32,500.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
01	232478	J & M WELL SALVAGE COMPANY MILLER-MILLER UNIT	GONZALES 09265	CU-A	1	\$ 2,000.00
01	232676	AUSTRAL OIL COMPANY INCORPORATED HINDS, F.C. -E-	CALDWELL 06996	EC-A	1	\$ 2,000.00
01	232517	ONE MADISON ENERGY, INC. KIRK, T.M.	MILAM 10272	CU-A	1	\$ 3,500.00
01	232480	CENTEX DEVELOPMENT HILEMAN	LA SALLE 12444	CU-A	1	\$ 20,000.00
01	232479	LEMON, RICHARD G. LOKEY, K.R.	GONZALES 10603	CU-A	1	\$ 2,500.00
01	231198	UNIDENTIFIED JAMBERS RANCH WELL	MCMULLEN <NA>	CU-A	1	\$ 2,500.00

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 03 Totals					2	\$ 3,300.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
03	231519	LGL ENERGY, INC. HILLIARD-HOLMES UNIT	MONTGOMERY 00360	EC-A	1	\$ 1,500.00
03	232716	PATHFINDER CAPITAL L.C. BEDINGER, C.A.	MADISON 17222	CU-B	1	\$ 1,800.00

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 04 Totals					1	\$ 14,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
04	231997	R.C.I. ENERGY BALLARD, C. F.	NUECES 111403	CU-A	1	\$ 14,000.00

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 06 Totals					1	\$ 10,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
06	232757	ENVIROPAVE L.L.C. EAST TEXAS RECLAMATION PLANT	RUSK <NA>	EC-A	1	\$ 10,000.00

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 6E Totals					2	\$ 9,000.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
6E	232660	GLADE OPERATING CO. WILLIS, LILLIE	GREGG 07765	EC-A	<u>1</u>	<u>\$ 5,000.00</u>
6E	232836	GOFF, WILLIE WILLIE'S WASHOUT PIT - (P00007178A)	GREGG 07178A	AB-A	<u>1</u>	<u>\$ 4,000.00</u>

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					Number Approved	RRC Estimate
District 7B Totals					7	\$ 19,000.00
Dist	Cleanup ID	Operator Name Lease Name	County Lse/Gas ID	Site Rank	Number Approved	RRC Estimate
7B	232256	C & C PETROLEUM MANAGEMENT, LLC DP#752738 - BROWN UNIT	CALLAHAN NA	CU-A	1	\$ 5,000.00
7B	232596	FRIENDLY ENERGY SERVICES, INC. KELLER	BROWN 29787	CU-B	1	\$ 2,000.00
7B	232756	FRIENDLY ENERGY SERVICES, INC. GOBBLER HOLLOW	BROWN 202387	CU-B	1	\$ 4,000.00
7B	232621	FRIENDLY ENERGY SERVICES, INC. GOBBLER HOLLOW	BROWN 206658	CU-B	1	\$ 2,000.00
7B	232620	FRIENDLY ENERGY SERVICES, INC. GOBBLER HOLLOW	BROWN 202387	CU-B	1	\$ 2,000.00
7B	232617	FRIENDLY ENERGY SERVICES, INC. GOBBLER HOLLOW	BROWN 29479	CU-B	1	\$ 2,000.00
7B	232616	FRIENDLY ENERGY SERVICES, INC. EXPLO-KELLER	BROWN 129836	CU-B	1	\$ 2,000.00

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 7C Totals					2	\$ 7,164.20
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
7C	232758	UNIDENTIFIED WENDKIRK OIL FIELD SITE	COKE <NA>	AS-A	<u>1</u>	<u>\$ 3,582.10</u>
7C	232759	UNIDENTIFIED BALLINGER SEEP	RUNNELS <NA>	AS-A	<u>1</u>	<u>\$ 3,582.10</u>

SUMMARY OF APPROVED/AUTHORIZED CLEANUP ACTIVITIES

March 1, 2016 to March 31, 2016

					<u>Number Approved</u>	<u>RRC Estimate</u>
District 09 Totals					6	\$ 12,750.00
<u>Dist</u>	<u>Cleanup ID</u>	<u>Operator Name Lease Name</u>	<u>County Lse/Gas ID</u>	<u>Site Rank</u>	<u>Number Approved</u>	<u>RRC Estimate</u>
09	232556	SERVICE CLEARING CORP. HENRY E. FARM	COOKE 28121	AB-B	1	\$ 1,000.00
09	232497	DSB ENERGY, LLC CAMPBELL, W. H.	COOKE 01966	AS-A	1	\$ 150.00
09	232557	SERVICE CLEARING CORP. WOLF	COOKE 28233	AB-B	1	\$ 1,000.00
09	230978	GOODNER, ROB OIL INTEREST TAYLOR, C. T. -43-	CLAY 25678	CU-B	1	\$ 5,000.00
09	232718	BLACK PEARL OPERATING COMP., LLC NORWOOD, JOHN H. ETAL	WICHITA 06173	EC-A	1	\$ 5,000.00
09	232576	SERVICE CLEARING CORP. REED, W. A.	MONTAGUE 24141	AB-B	1	\$ 600.00
Grand Total (all Districts)					27	\$ 107,714.20